# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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### FISCAL IMPACT STATEMENT

**LS 6985 NOTE PREPARED:** Mar 11, 2013 **BILL NUMBER:** SB 365 **BILL AMENDED:** Mar 7, 2013

SUBJECT: Utility Facility Relocation.

FIRST AUTHOR: Sen. Crider

BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Rep. Koch

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill authorizes a unit of local government to enter into an agreement with a utility concerning the relocation of the utility's facilities for a major highway, street, or road project undertaken by the local unit. It requires that the agreement must include a date for relocation and conditions under which the utility is excused from meeting the date, including a force majeure clause.

The bill specifies that a unit that is responsible for relocation costs shall pay the costs in arrears in accordance with the procedures of the State Board of Accounts.

Effective Date: July 1, 2013.

#### **Explanation of State Expenditures:**

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill is expected to have minimal fiscal impact on local units.

Any fiscal impact will result from a local unit establishing an improvement project as a major project and requirements to make a reasonable effort to identify and notify utilities. The statute includes authority for a local unit to enter into an agreement with a utility to relocate the facility.

#### **Explanation of Local Revenues:**

SB 365+

## **State Agencies Affected:**

**Local Agencies Affected:** Local units undertaking major projects.

**Information Sources:** 

Fiscal Analyst: Karen Firestone, 317-234-2106.

SB 365+ 2